

# MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

## DIVISION OF CREDIT UNIONS

### NEWSLETTER

Volume 2, Number 5

August 4, 2000

#### CREDIT UNION COMMISSION MEETS

The Credit Union Commission met on August 3, 2000 in Jefferson City. Commission members in attendance were Pat Yokley, Bill Humpfer, Sharon Ichord, Cathy Stroud, Lori Levine, John Hanneke, and Pat Macdonald. Others attending were Christie Kincannon, Attorney General's Office, Kari Greathouse, Peggy Nalls and Mike Winter, Missouri Credit Union System, Bill Trenchard, Sharri Wardlow and Don Cooper, Central Communications Credit Union, Jacques Sachs, Don Ackerman and Ben Webb, Springfield Telephone Employees Credit Union, Dean and Ila Brueseke, South Community Credit Union, Maribeth Neidert and John P. Smith, Division of Credit Unions.

The Commission approved the minutes of the June 30, 2000 meeting.

The Commission received reports on state and federal legislation, field of membership expansions, and rulemakings in progress. They also discussed the coverage of commission activities in trade publications.

The Commission approved the revised *Application for Additional Groups or Areas* form.

The Commission reviewed field of membership expansion applications submitted by Springfield Telephone Employees Credit Union, South Community Credit Union, and Central Communications Credit Union. More than 3,000 potential members reside within each of the requested areas. The Commission exempted each of the three areas from limitations on groups.

The Commission's next regular meeting will be on November 2, 2000 in Jefferson City.

#### Field of Membership Application Update

**Purina Credit Union** submitted an application to include employees of Connexus, Inc. and Security Armored Car Services, Inc. The decision to approve the application was published in the July 3, 2000 Missouri Register. The fifteen day period for appeal of the Director's decision to the Commission has passed, so the decision is final.

**Southpointe Credit Union** submitted an application to include family members of current members, family members of eligible members, those who live or work in Jefferson and Franklin Counties and the Zip Code 63025.

**Midwest United Credit Union** submitted an application to include individuals who work or reside in Jackson County. The decision to approve both applications will be published in the September 1, 2000 Missouri Register. A fifteen day period for appeal of the Director's decision to the Commission must occur before the decision is final.

**West Community Credit Union** submitted an application to include persons working or residing in Overland (63114), Olivette (63132), Crestwood (63126), Sunset Hills (63127), Des Peres (63131), Creve Coeur (63141), Ballwin (63011), Maryland Heights (63146 and 63043), Chesterfield (63017, 63005) and Manchester (63021). The decision to approve the application was published in the August 1, 2000 Missouri Register. A fifteen day period for appeal of the Director's decision to the Commission must occur before the decision is final.

**First Community Credit Union** submitted an application to include all eligible individuals, and the immediate family of eligible individuals, who reside or work in the Counties of St. Louis, St. Charles, Jefferson and the Zip Codes of 63090, 63055, 63039, and 63089. **Missouri National Guard Credit Union** submitted an application to include persons residing or working in Cole or contiguous counties, excluding Boone. **St. Louis Postal Credit Union** submitted an application to include members of the immediate family and Zip Codes 63123, 63125, 63010, 63012, 63016, 63023, 63026, 63049, 63051, and 63052. **Spirit of St. Louis Credit Union** submitted an application to include those that reside or work in St. Louis City, St. Louis County and St. Charles County. **Alliance Credit Union** submitted an application to include those who work or reside in St. Charles County or St. Louis County. These five applications were published in the August 1, 2000 Missouri Register.

A ten-business day period for receipt of comments must occur before decisions can be made.

#### REVISED APPLICATION FOR ADDITIONAL GROUPS OR AREAS FORM

The *Application for Additional Groups or Areas* form has been revised. Applications submitted after August 16, 2000 must be on the revised form that is attached to this Newsletter. On August 16, 2000, the revised form will be on the Division of Credit Unions' web site [www.ecodev.state.mo.us/cu/](http://www.ecodev.state.mo.us/cu/).

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## CREDIT UNION TAXATION

From time to time, the Division of Credit Unions receives inquiries about taxation of Missouri chartered credit unions. RSMo 148.620.3 imposes a franchise tax on credit unions in lieu of income tax and most other taxes, but specifically subjects credit unions to the sales and use tax. The Department of Revenue is the agency that assesses and collects sales and use taxes.

The sales tax covers transactions where sellers located in Missouri sell tangible personal property to buyers also located in Missouri. The sales tax must be collected and paid by vendors in Missouri who in turn file a quarterly sales tax return.

The use tax covers transactions where a seller located outside of the state of Missouri sells tangible personal property to buyers located in the state. The tax is actually imposed on the buyer for the "use or consumption" of tangible personal property in this state, rather than on the sale of the property. The buyer, rather than the seller, must file a separate quarterly use tax return with the Department of Revenue.

The sales of services, real property or intangible personal property, with limited exceptions, are not subject to the tax.

The Department of Revenue conducts use tax audits and can assess penalties and interest if taxes are not paid.

Credit unions are urged to contact the Department of Revenue, legal counsel or their accountant for answers to questions regarding taxation.

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## JOB OPPORTUNITY

The Division of Credit Unions has an opening for a financial examiner. Contact the Division if you are interested in applying for the position.

**TITLE:** Credit Union Examiner

**LOCATION:** Division of Credit Unions, St. Louis

**STARTING SALARY RANGE:** \$23,712 – 27,024

**RESPONSIBILITIES:**

- ⇒ Examines state-chartered credit unions to evaluate financial performance and to determine compliance with applicable laws and regulations.
- ⇒ Prepares reports covering all areas of investigation.
- ⇒ Reviews findings of examination with credit union management, and directs corrective action.

- ⇒ Makes recommendations for improvements in operations.

**JOB KNOWLEDGE, SKILLS AND ABILITIES:**

- ⇒ Working knowledge of basic financial and accounting principles and practices.
- ⇒ Knowledge of legal framework, sound business practices and ability to work effectively with officials.
- ⇒ Ability to use a calculator, personal computer and related office equipment.
- ⇒ Ability to perform detailed work using accounting and financial data.

**JOB QUALIFICATIONS**

- ⇒ Analytical written and oral communication skills a must.
  - ⇒ Graduation from an accredited four-year college or university with a degree in Business Administration and twelve hours of accounting required.
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## FROM THE DIRECTOR

**Workshop for small credit unions:**

On August 12, the National Credit Union Administration is presenting a workshop for small credit unions in St. Louis. Information has been mailed by NCUA directly to credit unions. Representatives from the Division of Credit Unions will be present. The August 19 workshop scheduled for Kansas City was cancelled.

**Reaccreditation:**

The Division of Credit Unions is one of twenty-two state credit union agencies accredited by the National Association of State Credit Union Supervisors (NASCUS). Every five years, the Division completes a self-evaluation review (SERA) covering the areas of personnel, administration, finance, training, and examination. Following completion and submission of the SERA, the Division will undergo a three-day on site review by NASCUS staff and three credit union regulators. Annually the Division completes a report describing any changes occurring during the past year. Accreditation signals that the Division meets or exceeds standards set by NASCUS. The Division was first accredited in 1990.

John P. Smith, Director